

IN THE UNITED STATE BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA

)	
)	
CHAMPAGNE SERVICES LLC)	CHAPTER 11
)	Bankruptcy
)	Case No. 16-11683-RGM
)	
DEBTOR.)	

**RESPONSE TO SUPPLEMENTAL OBJECTION TO APPLICATION TO
EMPLOY COUNSEL TO THE DEBTOR**

COMES NOW the Debtor, Champagne Services, LLC, and responds to Trustee's Supplemental Objection to Application to Employ Counsel to the Debtor. In support thereof, Debtors state as follows:

1. This Court has jurisdiction in this matter.
2. Debtor filed an Application to Employ Counsel June 2, 2016.
3. A hearing was held September 6, 2016, at which time the Court noted that it would approve the application upon the US Trustee reviewing the applicable representation agreement between Debtor and proposed counsel.
4. Counsel submitted the representation agreement to the US Trustee the following day.
5. The US Trustee is now challenging the propriety of Westlake Legal Group representing Debtor because the managing member of the Debtor is the guarantor for the representation agreement.
6. The mere fact that the managing member of the Debtor is a guarantor does not create any conflict or appearance of conflict. Neither case law, nor statute, nor

any rule of ethics support the existence of an ethical obligation between an attorney and a contractual guarantor.

7. Moreover, there is no confusion that Westlake Legal Group represents Champagne Services and not Mr. Crawley as the only client identified is Champagne Services in the representation agreement.
8. Finally, there is no actual conflict of interest. Westlake Legal Group owes professional duties, duties of confidentiality, and duties of loyalty to Champagne Services, which in turn, owes a fiduciary duty to the estate. The existence of a personal guarantor for payment of Westlake Legal Group's fees does not negate any of those duties.

WHEREFORE, the Debtor prays this Court grant its Application to Employ Counsel and award it any such other and further relief as this Honorable Court may deem just and proper.

Respectfully submitted,

CHAMPAGNE SERVICES, LLC

By Counsel

WESTLAKE LEGAL GROUP

/s/ Thomas K. Plofchan, Jr.
Thomas K. Plofchan, Jr., VSB # 34536
Whitney Lawrimore Hughes, VSB # 82331
46175 Westlake Drive, Suite 320
Potomac Falls, VA 20165
Telephone: (703) 406-7616
Facsimile: (703) 444-9498
tplofchan@westlakelegal.com
wlawrimore@westlakelegal.com
Proposed Counsel for Debtor

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Response was submitted on the 19th day of September, 2016, by first-class mail, postage paid upon:

Office of the United States Trustee Region 4 115 S. Union Street, Suite 210 Alexandria, Virginia 20314	Can Capital Asset Servicing 155 North 400 West Suite 315 Salt Lake City, UT 84103-1111
Accord Business Funding 3730 Kirby Drive Suite 720 Houston, TX 77098-3933	County of Loudoun Virginia 1 Harrison Street SE 1 st Floor Leesburg, Virginia 20175-3102
Internal Revenue Service Centralized Insolvency Operations PO Box 7346 Philadelphia, PA 19101-7346	Loan Me 1900 S. State College Blvd Suite 300 Anaheim, CA 92806-6152
Pearl Capital 9 th Floor, 100 William Street New York, NY 10038-0000	Pleasant Properties 905 Monroe Street Herndon, VA 20170-3209
Web Bank Can Capital Asset Servicing 155 North 400 West Suite 315 Salt Lake City, UT 84103-1111	WEX BANK PO BOX 6293 CAROL STREAM IL 60197-6293
Fundbox 300 Montgomery Street San Francisco, CA 94104	Geoffrey Crawley 16869 Ivandale Road Hamilton, Virginia 20158

/s/ Whitney Lawrimore Hughes
Whitney Lawrimore Hughes